

**MINUTES OF REGULAR MEETING OF  
THE REDEVELOPMENT COMMISSION OF GREENSBORO**

**FEBRUARY 18, 2003**

**REGULAR MEETING**

The Redevelopment Commission of Greensboro met in a Regular Meeting in the Plaza Level Conference Room, Melvin Municipal Building, Greensboro, North Carolina, on Tuesday, February 19, 2003, at 5:08 p.m. Present were: Chairman Bill Benjamin, Joe Wood, Nettie Coad, Jerry Leimenstoll, and Scott Lilly. Dan Curry and Caroline Wells represented the Housing and Community Development Department (HCD). Jim Blackwood, Esq., Attorney for the Commission, was also present (arrived at 5:15 p.m.).

Chairman Benjamin called the meeting to order, introduced himself, and welcomed everyone to the meeting. He asked that anyone who wished to speak to come up to the microphone, identify him or herself, and give an address.

**APPROVAL OF MINUTES OF REGULAR MEETING OF JANUARY 21, 2003**

Mr. Leimenstoll moved approval of the January 21, 2003 Regular Meeting as written, seconded by Mr. Wood. The Commission voted 5-0 in favor of the motion. (Ayes: Benjamin, Wood, Coad, Leimenstoll, Lilly. Nays: None.)

**WARNERSVILLE PROJECT III. APPROVAL OF PLANS FOR A FAMILY LIFE CENTER AT SHILOH BAPTIST CHURCH (809-817 BILBRO STREET)**

Ms. Wells said the Commissioners have been furnished with a letter and plans for a family life center adjacent to Shiloh Baptist Church at 809-817 Bilbro Street. The Redevelopment Commission sold this property according to the 1996 Purchase Contract. Architect Clinton Gravely is present to answer questions regarding the project. The Redevelopment Commission is asked to approve the site plans for the Family Life Center and an extension of the time frame for construction.

Clinton Gravely, architect, said his firm was performing the architectural services for this. He said he was also a Trustee for Shiloh Baptist Church. Based on the time frame, this month they are supposed to have construction completed, as of February 2003. He explained that their pastor of 30 years passed away some two or three years ago and he had been their principal fundraiser. After an extended search, they have a new pastor who is coming in the last of this month. He will be on board March 1st. As part of this, Mr. Gravely said they were asking for an extension of 5-years, as far as the construction, and then two years to get it completed.

Mr. Gravely presented the site and floor plans for the family life center. He pointed out the initial property line and the property that is owned by Shiloh Baptist Church. He said that there had been a small 3-acre park behind the church, and problems had been reported with the park. The church approached the Parks & Recreation Department and received a favorable recommendation from them for the church to purchase this land. They then came to the Redevelopment Commission and ended up purchasing the park property. The family life center will be attached to the church. He pointed out where the chapel will be, the administrative area, seminar rooms, and rest rooms. They have a daycare center in the existing church now and they plan to move the daycare center over to the family life center. That space in the existing church will be converted to classrooms. There will be a multipurpose room that is designed to accommodate concerts, musical programs, and athletic programs, such as basketball, tennis, etc., organized by the church. They feel this will be a big addition to the community, as well as Greensboro. It will seat about 1,000 for programs and will seat about 600 for dining functions. They will have a commercial kitchen. Also they will have a second floor, which contains a jogging tract. For the various organizations in the church, each will have a room there (deacons, trustees, etc.). The land slopes down to the left and they have a little lower level that will be

underneath that portion. There is a room there that will be used as a trade room for training and some office space and rest rooms. There is a small miscellaneous building on the property that is a small garage that will house the lawn mowers and church vans.

They have 172 parking spaces now. They will be adding 161, which will give them approximately 333 spaces. Their church is designed to house 900, as far as the seating capacity is concerned in the sanctuary. Therefore, they will have sufficient parking for church services and other activities.

There is also a small one-bedroom apartment on the premises. Occasionally, homeless people will come by who are in need or have various problems. Also sometimes when persons' homes burn, they will come for aid. They hope to make this small apartment available for things like that.

Mr. Gravely said they had saved approximately \$500,000. They do not want to put all of that into the facility per se. Their existing facility is paid for. The problem they are concerned about is paying it back at this point. Until their new minister is on board, their funds are down, as far as fundraising. They feel once the new minister is on board, the fundraising will increase.

Mr. Gravely said that when construction is started, they needed to have all the money committed, either through a loan or savings or whatever. If they started on a \$4 million project with \$900,000, they would have some big payments. That is their concern.

Chair Benjamin said one of the things to which he reacted when he looked at this was there was a provision that said timeliness of the work. It said: *It is expressly understood that timely commencement of said repairs or construction and improvements are of the essence of this agreement.*

Mr. Gravely said he thought that statement was related to the small park purchased from Parks & Rec.

Counsel Blackwood said they put in "time is of the essence" mainly because when you have these and rights of reversion certificates completion, he did not want to get into a dispute as to whether or not the time that was put in the contract was a material provision or was one that was just a guideline and not something else wise. To his recollection, there was no urgency that led to that particular provision. Counsel Blackwood said the \$50,000 purchase price was a reduced market value based on the restrictions in here about using it for these purposes.

Mr. Wood moved that the Commission approve the site plan, seconded by Ms. Coad.

Mr. Leimenstoll said he had some question about the site plan. Basically, we have no criteria upon which to approve or disapprove, and he found that to be very disturbing. We face this situation all too often.

Mr. Wood said generally the site plans approved by the Commission were for single-family homes, etc. However, he did not want to get into the business of telling the church how to build their family life center.

Ms. Wells pointed out that this was an old project. There were no design guidelines and she did not think they were a consideration of the Commission at that time.

Mr. Leimenstoll said he just thought it was too vague. There is too much knowledge out there today about how you place a building on the site relative to the community, to just pass it off that way.

Chairman Benjamin said it then said all site plans, designs and specifications relating to the improvements shall be approved by the Commission, which approval by the Commission shall not be unreasonably withheld.

Mr. Gravely said that these were preliminary drawings. He said that they would be coming back to the Commission when they get the detailed drawings.

Ms. Wells said the Commission could hold off on this motion. She could go out and take pictures of the site, so that they can see it in context, and we can see elevations. This is not out of the realm of what the Commission has done before. Ms. Wells said looking at the site plan gives a good idea of the internal use of the property, but you are not seeing it so much in context. Since there is a request for an extension and construction would not commence for some time, there is plenty of time for that to take place.

Mr. Gravely said this was just a concept drawing. Codes have changed since these were drawn. When they get the final drawings in detail, they will come back to the Commission before they start construction.

Mr. Wood said he withdrew his previous motion, which was agreed by Ms. Coad.

Chair Benjamin said he thought what they really needed tonight is some kind of addressing of the time issue. If they do not come back for five years, it could be a different plan.

Mr. Leimenstoll said that based on what is happening in this whole sector of the City, to him five years is too much time.

Mr. Lilly said that at the end of the three years, if they were still at the \$500,000 or less, what recourse would the Commission have?

Chair Benjamin said he read in the agreement that the Commission would undo the deal, including reimbursing them for their costs of holding it over time.

Mr. Coad said she would go with the church reporting back in three years with a progress report. However, Mr. Gravely is telling us that they need this kind of time. If we are going to modify it any, she said she would not want to modify it any more than them reporting back in three years.

Mr. Lilly said they told us they needed 5 to 7 years the first time. They were in unfortunate circumstances and what he was afraid of is, if we give them another five years and they have another set of unfortunate circumstances, then where are we?

Counsel Blackwood said if your motion is simply to report back in three years, but grant the extension to start to five years, the three years has no legal consequence, other than just making a report. So in terms of what your resolution is, if you want some legal authority if things are not moving at the end of the three year extension, and you do not sense that that is going to occur and you want to be able to do something about it in terms of either initiating a process to take it back, and if you want to have that right, then the extension should be for three years. If you are willing to allow time up to five years for them to start and you just merely want a report as to whether there is any progress or not, then you simply can ask that they make a report, but you are extending the time for commencement for five years. Just merely making a report has no consequence, other than information.

Mr. Wood said what if the Commission said we would renew the extension for three years at which time there will be an update and progress report. At that time, based on the information given, the Commission can extend again for ground breaking, if necessary.

Mr. Gravely said they had a plan toward going forward. If they could get the extension for five years, with a report in three years as suggested, then that would help them in two ways. First of all, the church, as far as raising money, will know we have got to report to you in three years. They have a committee that is working on this. They have projected that within five years they will have the money based on the fundraising that they have got, the grants applied for, the pledges are in place, plus the money they have on hand right now.

Mr. Lilly said they were in breach of contract now for failure to commence or complete on time. He said he thought it best to go back to this rehabilitation construction time line here that says it should be completed within 7 years or whenever this was dated. We should increase that. Now that they are in breach, we have the option of undoing this and buying it back and that sort of thing. We are not exercising that. He said he could imagine it would be hard to

raise \$4 million for a project on land that is in breach of contract. We will have to change this plan or however you do it, to say from three years from now is when you must commence or complete construction. Then we can have the chance again to exercise the option, if we so desire, to undo this whole thing, just like it says here in the document.

Mr. Wood said he thought the Commission ought to do it in a way that the Commission does not make them feel like Mr. Gravely said, that they have got to slap on a metal building in three years.

Mr. Leimenstoll said he thought Mr. Lilly was on the right track. What it really boils down to is the fact that this Commission is trying to work with the church. Legally, as he understood it, Mr. Lilly is absolutely right. We could say tonight, "You are in breach of contract." We could instruct our attorney to work towards getting the property back.

Counsel Blackwood said that was correct.

Counsel Blackwood said he thought if the Commission wanted a legal resolution, it has just simply got to have a date that you move to amend the contract to change the date of commencement of construction, February 28, 2006. That would be 3 years from the date that is already in there. Completion of construction would be 2 years thereafter.

Mr. Wood moved that the Commission amend the contract to grant a 3-year extension so that construction would begin no later than February 28, 2006, and will be completed no later than February 28, 2008, seconded by Ms. Coad.

Counsel Blackwood said the deed that was of record references that it has a right a reversion until such time as we file a certificate of completion on improvements required by the contract.

Chair Benjamin called for a vote on Mr. Wood's motion. The Commission voted 5-0 in favor of the motion. (Ayes: Benjamin, Wood, Coad, Leimenstoll, Lilly. Nays: None.)

## **WILLOW OAKS NEIGHBORHOOD**

### **A. 703 DORGAN AVENUE**

Ms. Wells said that this site, owned by the heirs of Doretha Saunders (c/o of Mary Jones), measures approximately 8,636 square feet. The appraiser values the property at \$9,000. The reviewer accepts the appraisal as sound. The Commission is asked to approve the appraised value as the offer price for this property.

Mr. Wood moved the purchase of 703 Dorgan Avenue at the appraised value of \$9,000, seconded by Ms. Coad. The Commission voted 5-0 in favor of the motion. (Ayes: Benjamin, Wood, Coad, Leimenstoll, Lilly. Nays: None.)

### **B. 705 DORGAN AVENUE (REQUEST FOR CONDEMNATION)**

Ms. Wells said the Commission approved an offer of \$10,000 for the vacant property at 705 Dorgan Avenue at its December 17, 2002 meeting. The owners, the heirs of Daisy B. Hughes, have not replied to the Commission's offer although two letters have been sent to them. The Commission is asked to authorize condemnation on this property.

Mr. Wood moved that the Redevelopment Commission authorize condemnation of 705 Dorgan Avenue and the amount of \$10,000 be placed in escrow and that the Commission's attorney take all appropriate steps necessary for such condemnation, seconded by Ms. Coad. The Commission voted 5-0 in favor of the motion. (Ayes: Benjamin, Wood, Coad, Leimenstoll, Lilly. Nays: None.)

### **C. 728 GILLESPIE STREET**

Ms. Wells stated this property, owned by Robert Siler, consists of a single ranch house built in 1989. The house is located on a 5,456 square foot lot. The property is in generally good condition and has been valued by the appraiser at \$70,000. The review appraiser accepts this value as sound. The Commission is asked to approve the appraised value of \$70,000 as the offer price for this property.

Mr. Wood moved that the Commission table 728 Gillespie Street to the March meeting of the Commission when more information shall be presented, seconded by Mr. Lilly. The Commission voted 5-0 in favor of the motion. (Ayes: Benjamin, Wood, Coad, Leimenstoll, Lilly. Nays: None.)

### **D. 714 GILLESPIE STREET (COUNTEROFFER)**

Ms. Wells said that the Commission approved an offer price of \$39,000 for the property at its September 2002 meeting. A counteroffer for the property at 714 Gillespie Street submitted by the property owner, Avis Hall, where his appraisal values the property at \$50,200. The counteroffer appraisal was sent to a reviewer who noted that the appraisal is not a Complete Analysis Summary Appraisal and does not comply with USPAP (SR2-2) standards. He notes that the three comparables in the appraisal are sales to the Redevelopment Commission and thus are not arms-length sales. Furthermore, the reviewer states that the appraisal shows three building lots, which do not appear on the tax map. The Commission is asked to consider the counteroffer. If the Commission chooses not to accept the counteroffer, the Commission is asked to authorize condemnation of this property.

Mr. Lilly asked that the owner be allowed to submit an appraisal in accordance with the Complete Analysis Summary Appraisal and complies with USPAP (SR2-2), using acceptable comparables.

Ms. Wells said she would advise actually just staying with the offer price, authorize the condemnation, and send the review appraiser's comments back to the owner.

Chair Benjamin asked what the advantage would be in starting the condemnation rather than just going back and saying this is not working, please correct it?

Mr. Wood moved that the Commission table 714 Gillespie Street until the March meeting, at which time the counter appraisal will be corrected to meet the necessary standards, seconded by Mr. Lilly.

Counsel Blackwood said the Commission has to send out a 30-day notice before we can file the action to commence condemnation. And you can always send a letter, but you can also at the same time send them an opportunity to do anything else. He said by virtue of the 30-day notice, it will be beyond the March meeting before we could even file it. If you table it, then you are going to be beyond the April meeting. Therefore, we could not even commence the petition until after the 30 days.

Mr. Wood withdrew his motion and Mr. Lilly agreed.

Chair Benjamin moved that the Commission initiate condemnation, but request that staff notify the owner of 714 Gillespie Street as to the issues outstanding with the counter appraisal or the response appraisal, and that we proceed at a price of \$39,000 until we otherwise decide, seconded by Mr. Leimenstoll.

Counsel Blackwood explained that the \$39,000 would not be placed in escrow with the Court until the petition for condemnation was actually filed.

The Commission voted 5-0 in favor of Chair Benjamin's motion. (Ayes: Benjamin, Wood, Coad, Leimenstoll, Lilly. Nays: None.)

Counsel Blackwood advised the Commission that initiating condemnation meant additional expense for the Commission. The title search would be done, in any event. However, if it proceeds to condemnation, the Commission by statute is required to provide legal counsel to the landowner. In any event, once you start the process, the guiding light was still payment of fair market value. As everyone can understand, as you go through the process, there are different opinions on the value of anything and they can always be revisited and an amount is determined.

Chair Benjamin left the meeting at 6:25 p.m. and Mr. Wood was Acting Chair for the remainder of the meeting.

### **ARLINGTON PARK NEIGHBORHOOD. UPDATE ON REHABILITATION OF 1700 MARTIN LUTHER KING, JR. DRIVE AND REQUEST FOR APPROVAL OF REHABILITATION CONTRACT.**

Mr. Curry had provided the Commissioners with a memo detailing the bid process and the results of the bids for the rehabilitation of 1700 Martin Luther King, Jr. Drive. The Redevelopment Commission has been working with the neighborhood on this project for a number of years. This is a vacant house at the corner of MLK, Jr. Drive and Florida Street. It has been marketed for residential purposes for a number of years and no one showed any interest in it. Several meetings ago, the RDC approved a rezoning amendment for the Redevelopment Plan to allow it to be used for office use as well as residential use. Bids have been solicited for Phase 1 of the renovation work on the house which will include a new roof, a new foundation, structural improvements on the inside and an all new exterior, including windows, doors, siding, new front porch, etc. on the outside on 3 sides. The rear of the house will be framed over in anticipation of a new addition that the potential buyer would put on the back of the house. There is a low bid that is within the costs estimates for the work from a contractor who is skilled to do the work. Therefore, the Commission is being asked for this work to proceed.

Ms. Wells stated that the reason this is coming before the Commission is because the house is in the Redevelopment Commission's name and not GHDP.

Mr. Leimenstoll moved approval of the rehabilitation contract concerning 1700 Martin Luther King, Jr. Drive in the amount of \$129,820, seconded by Ms. Coad. The Commission voted unanimously in favor of the motion.

### **Bennett College Update**

It was determined that this discussion would take place at the March meeting.

### **Ole Asheboro Revised Redevelopment Plan Process**

Ms. Wells stated that a public meeting was held on February 6, 2003. Due to the weather on that particular evening, the expected group of about 100 participants dwindled down to only 25 people. There was excellent input from the attendees who spoke about what they liked about the neighborhood and what they disliked, what they saw as opportunities and what they saw as potentially influencing their neighborhood in a bad way. The firm of UDA is now back in Pittsburgh and they are putting together minutes of that meeting for distribution and they are starting to get their direction formulated. They have not confirmed when they will be back but it is expected that it will be around April 1<sup>st</sup> and they will be in town and on-site for about 4 days.

\*\*\*\*\*

There being no further business before the Commission, the meeting was adjourned at 6:25 p.m.  
Respectfully submitted,

Dan Curry, Assistant Secretary  
Greensboro Redevelopment Commission

DC/jd.ps